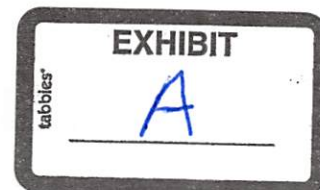


**AGREEMENT REGARDING PROVISION OF
WATER SERVICE TO BIG SHOTS FIREWORKS**

THIS AGREEMENT is made by, between and among Sioux Rural Water System, Inc., a non-profit corporation (hereinafter "Sioux"), the City of Watertown and Watertown Municipal Utilities (hereinafter "Watertown"). The parties agree and stipulate as follows:

1. Sioux has commenced a lawsuit against Watertown alleging various violations of 7 U.S.C. § 1926(b). The lawsuit is filed in the United States District Court, District of South Dakota, Northern Division (Civ. 15-1023).
2. One of the claims made by Sioux against Watertown relates to what Sioux describes as the provision of water service to a property located in the "northwest corner of the intersection of Pheasant Ridge Road and U.S. Highway 212, in the City, directly adjacent to the pipelines of the System, and within the System's federally protected service territory." (See paragraph 39 of Sioux's Complaint).
3. Watertown has denied any wrongdoing and has further asserted that the property Sioux is talking about is actually located in the northeast corner of the intersection of Pheasant Ridge Road and U.S. Highway 212. The parties agree that the property being referenced in paragraph 39 of Sioux's Complaint is property that includes a business known as Big Shots Fireworks and that the City has not and is not currently supplying water to that business.
4. Big Shots Fireworks has approached Sioux about the provision of water to its business and has informed Sioux that it will require 1,292 gallons per minute at 33.2 PSI in order to meet the fire suppression needs necessary for its business.
5. Sioux agrees that it cannot provide 1,292 gallons per minute at 33.2 PSI at this time to meet the fire suppression requirement that Big Shots claims it needs to meet in order to do business.
6. Sioux and Watertown are entering into this Agreement in an effort to service the needs of Big Shots Fireworks without Sioux waiving or creating any claim it may have to a right to serve the aforementioned business and/or property and without Watertown incurring any liability for providing water service to the aforementioned business and/or property.



7. Sioux agrees to release and discharge Watertown, its agents, employees, representatives, subsidiaries, successors, assigns and insurers, and any and all other persons and entities, from any and all claims, causes of action and damages of every kind, including any claim for increased damages for changed conditions and consequences flowing therefrom, which Sioux now has or may have, arising out of or in any manner pertaining to the provision of water pursuant to this Agreement to Big Shots Fireworks and/or the property upon which that business is located, whether the business located there continues to be known as Big Shots Fireworks or any other business or entity which may be a successor thereto.

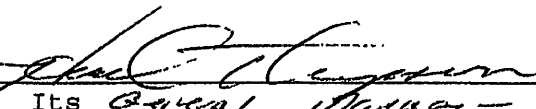
8. Nothing in this Agreement shall require Watertown or Sioux to provide water to Big Shots Fireworks or the property where that business is located. Rather, this Agreement is entered into so that Watertown can evaluate whether to undertake the provision of water service to Big Shots Fireworks or the property upon which that business is located.

9. The parties signing this Agreement certify that they have the authority from the entities they claim to represent to enter into this Agreement and have taken all steps necessary under the law to bind those entities to the terms and conditions set forth herein.

SIoux:

SIoux RURAL WATER SYSTEM, INC.

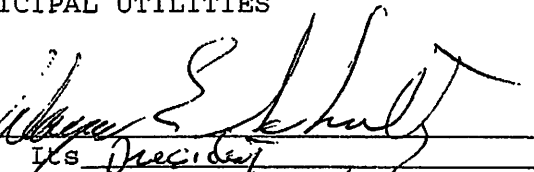
Dated: 6-22-15

By: 
Its General Manager

WATERTOWN:

CITY OF WATERTOWN AND WATERTOWN
MUNICIPAL UTILITIES

Dated: 7-27-15

By: 
Its President